

Biggar, Emerson Bristol
Canada's wool and woolens

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CANADA'S
WOOL AND
WOOLENS

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CANADA'S WOOL AND WOOLENS

THE PROBLEM OF CLOTHING THE CANADIAN PEOPLE
WITH CANADIAN WOOL MANUFACTURED BY
CANADIAN WOOLEN MILLS.



BIGGAR-WILSON, LIMITED

CONFEDERATION LIFE BLDG.

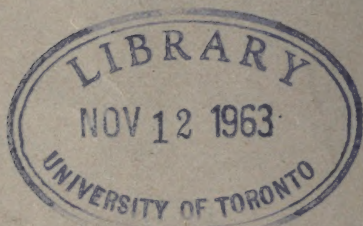
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PLEA TO THE READER.

It would be a thousand pities if two questions like the future of Canada's sheep industry and woolen manufacturing should be thrown into the arena of party politics. It is not easy for a writer of the party press or a speaker from a party platform to extricate himself from the thralldom of party opinions, even though he may find himself mistaken as to facts, and though fresh light may show him that he has taken the wrong side of a question.

This pamphlet is written in the hope that it may not be too late to present an array of facts which, without going into minute details of processes, will enable the lay reader to understand the merits of the problem of woolen textile manufacturing in Canada, and to show that the right decision of this somewhat vexatious question means more to the future of our great country than the immediate fate of the woolen manufacturers themselves.

The reader is, therefore, asked to lay aside his preconceptions on this subject and to learn how patriotism, applied to the woolen industry, has been the turning point in the industrial independence of both our Mother Country and the great nation whose neighborhood to us is so close that, whether we wish it or not, our commercial policy must be profoundly affected by it through all time.

If space permitted, this appeal to textile history would have been extended to other nations, but the reader can pursue the theme for himself, and will find in this history a confirmation of the proposition laid down that any nation which desires to stand upon its own feet must at least be able to provide its own food, clothing and fuel.

Toronto, August, 1908.

CANADA'S WOOL AND WOOLENS.

The time may come when the nations of the world will see that it is in their best interests to raise the revenues of Government by direct taxation and allow all international trade to be free. In such a relation we should find each nation making the most of those industries for which its native talent and its own natural resources best fit it.

Meantime we are confronted with the fact that the strife of both young and old nations in this age is toward industrial as well as political independence. This ambition to wear the badge of national manhood is nowhere more manifest than among the people of Canada. When we appreciate this ambition we must realize that the right settlement of the textile problem means more than the success or failure of the woollen manufacturers, who are now asking greater protection from outside competition.

In the economy of this country there are three primary needs—food, clothing, and fuel—and if Canada is to be self-dependent we will have to

Our First be in a position to fill these primary
Three Wants. wants from our own resources and within our own borders. A good Provi-

dence enables us to raise foodstuffs in abundance for all our wants and plenty to spare for other nations. We are also approaching the time when we can, if called upon, supply ourselves completely with fuel from our own mines, leaving our forests and wood supplies for other requirements. As to clothing for our bodies, the climate of Canada makes it necessary that we should have wool or fur as the raw material. Of these two materials wool only is available for general use; but unfortunately the production of wool in Canada has for many years been declining, while in more recent years we have more than a corresponding decline in woollen manufacturing.

That the woolen industry must ultimately collapse if present tariff conditions are continued appears inevitable from the steady decline reported **In the Valley of Decision.** by the "Canadian Textile Journal," which shows that at a time when every other industry has notably advanced the woolen mills in Canada have fallen from 270 in 1899 to 197 in 1908, with a corresponding decline in the manufacturing capacity of these mills. It is true that the knit goods branch has advanced in this time; but this advance has been at the cost of a Canadian worsted industry which should have been of greater magnitude to-day than the woolen and knit goods combined. Because one is related to the other as links in a chain, the ruin of woolen manufacturing must be followed by the extinction of knit goods manufacturing, and the Canadian clothing factories must follow in their train by the same law which enabled the United States boot and shoe manufacturers to close up the factories at Nottingham and other boot and shoe towns until the English manufacturers were forced to adopt American machinery and methods. Even now some Canadian and American clothing manufacturers are contemplating the introduction of their own methods and machinery into Yorkshire and Lancashire for the purpose of doing in the clothing trade what Yorkshire manufacturers have done in the woolen trade in the Canadian market.

It will hardly be denied that woolen textiles are one of the first necessities of the Canadian people, as essential, in fact, in our climate as **A Winter without Clothes.** food and fuel; and we can appreciate the vital character of such an industry when we imagine what would be our condition if, in such a contingency as war, our supplies were cut off and we were left to pass a winter without being able to clothe ourselves from our own resources. Recall what happened in Manchuria and Corea during the Russo-Japanese war, and remember how ninety-nine out of every hundred Russians ridiculed the possibility of such a war till it became a fearful reality. In our own policy of self-defence millions are being spent on armories and other equipment while the woolen mills,

which would be required to clothe our soldiers are being abandoned. But this is not so surprising when we consider our national habit of looking to the British navy—to whose maintenance we do not contribute a dollar—as something infallible, and when we recall the fact that it required two wars—the war of 1812 and the civil war of 1861-5—to teach the United States that its textile industries were a vital part of its scheme of national defence.

But supposing human nature suddenly changes and wars are never more heard of, does the average Canadian realize the colossal magnitude of the textile industries of other manufacturing nations and what a gap would be left in the circle of our industrial activities if that branch of our textile trades, which above all others, is a really native one, is allowed to die of atrophy? The census of 1905 shows that United States textile manufacturers employed capital to the amount of \$1,343,324,605, and produced goods to the annual value of \$1,215,036,792. Of these, the capital invested in the woolen branches was over \$477,000,000 and the annual value of product \$517,000,000.

Summarizing the results of the United States census, Edward Stanwood, the Government expert, says: "In some respects the textile industry is the most important branch of manufacture carried on in this country. It provides the material for substantially the entire clothing of the people. . . . Moreover, it supplies articles of household use, such as carpets, towelling and bed coverings. In the grouping of industries by the Census Bureau, 'textiles' rank third, according to the value of products, the group of 'food and kindred products' being first, and 'iron and steel and their products,' second. But when the manufacture of clothing is taken into account the class so formed rivals the group of iron and its products; and in the number of wage-earners the textile and allied industries are far in excess of any other group. They reported the impressive number of 1,156,305, which is but a little below the number em-

played in the 'food and their products' and 'iron and steel and their products' combined."

The expert adds this significant comment: "The extent to which an industry gives employment and the amount which it pays in wages is a better test of its importance than the capital it requires, the cost of materials, the value of products, or even than the added value by the process of manufacture." The expert then gives figures to show that in woolen, worsted, cotton, and silk manufactures, taking into consideration only the production of cloth and yarn for further manufacture [that is, into clothing and other fabrics], the industry gives employment to twice as many as are engaged in producing iron and steel for further manufacture. Regarded alone from its direct effect on one branch of agriculture—sheep raising—the value attained by the woolen industry is prodigious, since out of 500,000,000 pounds of raw wool consumed annually in this branch the wool growers of the United States produce 330,000,000 pounds, of which practically every pound is consumed in United States woolen mills.

The greatest industrial achievements of Great Britain, France and Germany, not to name other nations, are in the textile trades.

The Greatest Industry of the Greatest Nations. The annual value of the textile mill products of Great Britain is \$1,000,000,000. These employ a capital of \$1,250,000,000; and the figures do

not include the further manufacture of these fabrics into clothing, etc. Of the total population of the British Isles (44,000,000) at least 5,000,000 are directly employed in textile manufactures, and one-half of Britain's entire exports are in textile fabrics. The weight of raw wool consumed in the woolen industry of the Mother Land has averaged 657,000,000 pounds a year for the last three years, of which about 100,000,000 pounds is home grown, while there is an export besides of 31,000,000 pounds of British-grown wool. It will thus be seen that the textile industries of Great Britain overtop all others to a much greater extent than in the United States. In France 2,008,000 people are employed in the textile trades, and that nation's exports of cloth

and yarns are 235,000,000 francs a year. In Germany again the hands employed in the textile industries are nearly double those in any other group of industries, while Germany's exports of woolens alone amount to 266,223,000 marks. (See Mulhall's statistics.) It is the same with the smaller nations, such as Belgium, Holland and Switzerland.

If these enlightened nations regard their textile industries as of the very first importance, and if Canada has already spent millions of dollars in direct bonuses out of the public treasury to create an iron and steel industry and other minor industries, is it wise to regard our own textile manufactures as a problem of no consequence to the future of the nation? Seeing how an adverse tide in an Imperial war might make the question of winter clothing of greater consequence than fuel itself, is not the ability to supply for ourselves at least the plain fabrics of the people the best contribution Canada can make to the material strength of the Empire? But again, leaving aside all question of war or other disturbance to our trade, are the people of Canada to spend millions for the creation of an iron and steel industry, along with other millions for industries that are more or less exotic—that is, based on raw material that is not native to the country—and then confess themselves helpless when they come to face a problem which their own forefathers dealt with successfully?

Let us then discover why it is that, under economic conditions generally similar, our neighbor nation to the south has developed an enormous wool-growing industry and a still vaster woolen manufacturing industry, while in Canada both are declining, in spite of the fact that the sheep of Canada are less subject to grave epidemic diseases than any other in the world, and that the quality of our mutton is scarcely surpassed by that of Great Britain itself.

That the manufacture of woolen textiles is a natural and primary industry in Canada is evident from the fact that one of the first things done by the French colonists

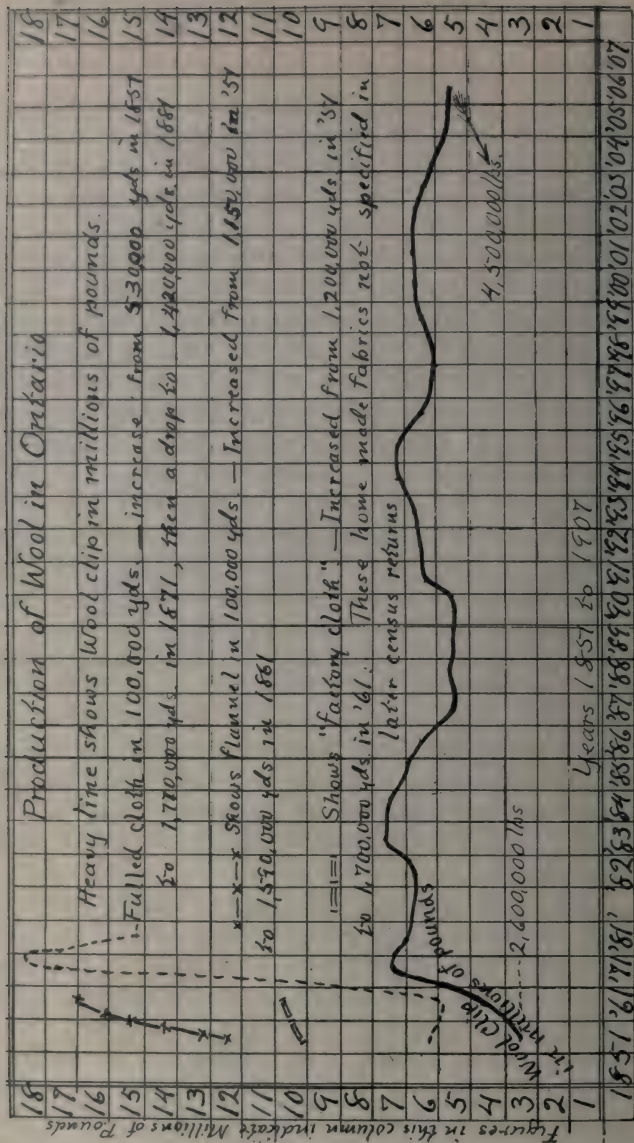
in Quebec and Nova Scotia, and by the English colonists in New Brunswick, Prince Edward Island and Upper Canada was to make cloth and boots and shoes from the wool and hides of the sheep and cattle reared by themselves.

Note this fact, that the growing of wool and the manufacture of woollen textiles thrived together in harmony not only through the long period when it remained an industry of the home, but well into the era of machinery and until the two interests were divorced by tariff laws. Strange as it may at first seem to protectionists, tariff legislation brought about the decay of the woollen industry of Canada, and unless the whole principle of this legislation is changed a few years more will see the complete ruin of its most important branches. Tariff legislation has brought about this decay, not because the protectionist policy is wrong in itself, but because it has been applied at the wrong end of the business. The framers of former woollen tariffs began the edifice at the second storey instead of at the foundation. The foundation of a woollen industry is wool, and the protection that Canada needs to re-establish this industry is a system that will begin with the sheep-raiser and continue by progressive stages to the spinner, weaver and knitter, and on to the clothing manufacturer.

Why the present unbalanced woollen tariff, so unfair to the Canadian wool-grower, and so incapable of a healthy all-round development of the woollen industry itself—using the word woollen to include the knit goods, worsted, carpet and other branches—should be radically reformed will be evident from a study of the diagrams and statistics on other pages. These charts deal largely with Ontario, because it is only in that Province that regular yearly records of live stock have been kept, these going back to 1882.

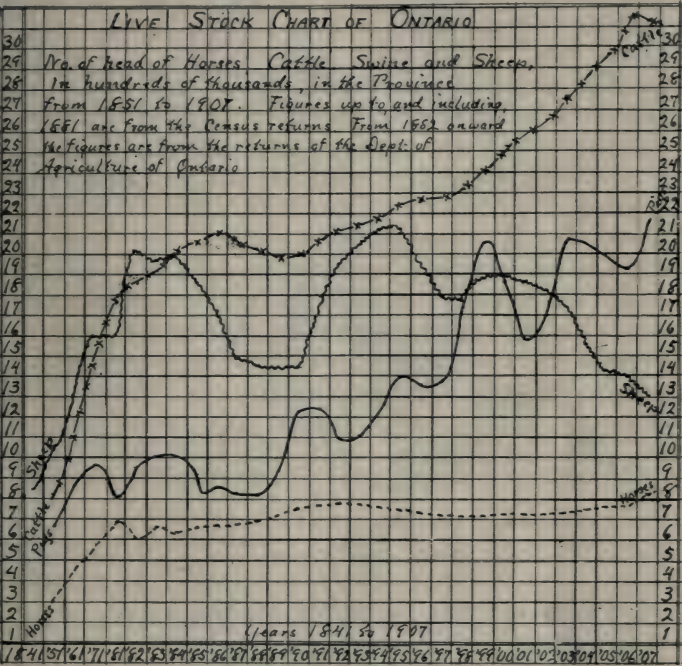
It will be seen from the chart of wool production in Ontario that so long as the custom woollen mill remained the corner-stone of the business —say, till the decade of 1871-81—it held its own, because the interests of wool-grower and manufacturer were linked together by the farmer, who supplied the

**The Trouble
began with
a Divorce.**



It will be seen from this chart that wool production increased till approximately the general introduction of the modern factory system in the Province. From the decade of 1871 it ceased to grow with population, and has since declined to 4,500,000 pounds, or 1,900,000 pounds less than in 1871. If production had increased in same ratio as population the Ontario wool clip of 1907 would have been 9,600,000 pounds at the average weight of fleece in 1871 ($3\frac{1}{2}$ pounds). But the average weight of fleece has increased from $3\frac{3}{8}$ pounds in 1882 (in 1851 it was only 2 10-16 pounds) to 6 3-5 pounds in 1907, at which rate the clip of 1907 would have been over 13,700,000 pounds. It will also be seen that woollen manufactures developed under the old system, along with wool production, till the advent of the factory system in the Province.

wool and took the finished product from the mill. It was when the factory system became fully inaugurated and the woolen manufacturer obtained tariff protection in which the farmer did not share, that the germ of the present disease began its work. It therefore, appears that the British preferential tariff was not the cause of this disease, though it has hastened the course of the malady to its present crisis. It was the divorce of the

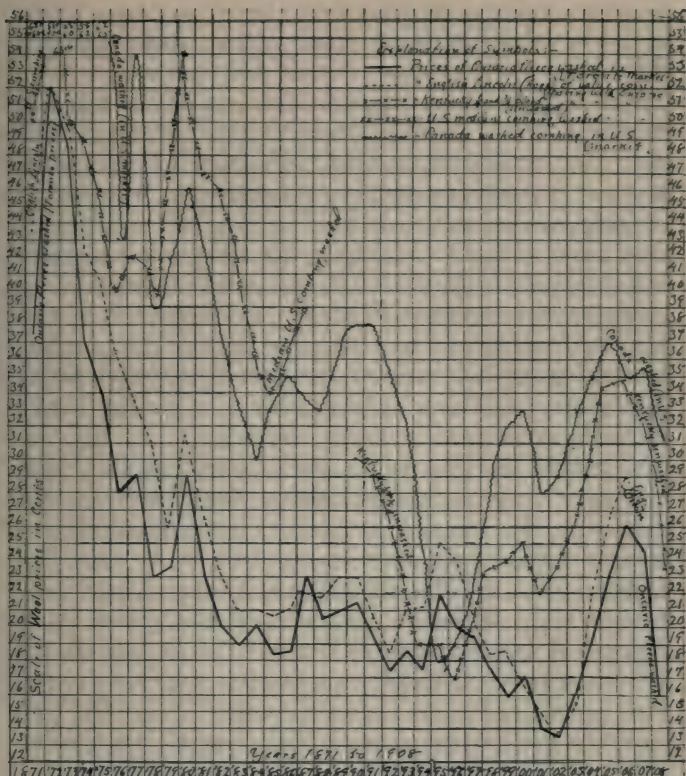


From the above chart it will be seen that the number of head of horses in Ontario has increased from 201,000 in 1851 to 725,600 in 1907, the number of cattle from 744,400 in 1851 to 2,926,000 in 1907, and the number of swine from 850,200 to 2,049,600 in the same period, while the number of sheep, after an advance till 1882 have actually declined on an average of years. Sheep-raising advanced along with other live stock till about the time of the introduction of the factory system in the woolen industry, when growth fell off till a stimulus was given to exports by the free wool tariff of the United States. From 1895, when there were 2,022,700 head of sheep in Ontario, the number steadily decreased till in 1907 it was only 1,106,000, or 64,000 less than in 1861.

interests of the woolen manufacturer from those of the wool-grower which has caused the decline in Canadian sheep-raising and the decay of the Canadian woolen industry. An examination of the live stock chart of Ontario discloses the remarkable fact that while every other branch of live stock has expanded with years—some of them at even a greater ratio than the growth of population—sheep have declined. This has seemed a mystery to farmers, politicians and political economists alike, because our sheep have taken the highest prizes at great United States fairs, our mutton is of such high quality that considerable quantities are imported by leading hotels and other United States consumers in the face of an extreme duty, and the wool of the Canadian sheep is among the strongest in the world. More important still, sheep in Canada are almost exempt from the serious epidemic diseases which afflict the sheep of Great Britain, Europe, South Africa and Australia. Old Country shepherds are often amazed that disorders which are chronic among sheep in England and Scotland disappear of themselves in a generation after the animals are brought to Canada. With all these things in its favor, why has the Canadian sheep been steadily disappearing from the farms of every Province from Manitoba east to the sea in the last thirty years?

The answer to this question will be found in the chart of wool prices, by which it will be seen that Ontario wools are almost invariably a little below the level of similar grades in England, and below the price of similar wools in the United States by the full amount of the duty (plus freight) on raw wools imposed in that country for the protection of its own wool-growers. Thus the Canadian wool-grower has never in these years been able to get his product into the British market in competition with British and foreign wools, nor in the United States except at 12 cents a pound or more, below the price the United States grower gets. Why, then, must the Ontario sheep-raiser be compelled to sell his wool product in the States under this handicap? There are two reasons, which will

CHART OF PRICES OF ONTARIO WOOLS, 1871 TO 1908.



This chart shows the prices of certain wools from 1871 to 1908. The heavy black line shows the price of Ontario combed wools, washed, in the Toronto market. The dotted line next above this shows the price, in England, of English Lincoln wools of a class corresponding with Ontario combed wools. The line interrupted with single crosses, starting in 1890, gives Kentucky quarter bred and three-eighths blood wools of a type at present nearest to Ontario wools, but these prices are for unwashed wools. The same wools, if washed, would show a range of prices about a third higher. The lines interrupted by double crosses and ending at 1887 show United States wools of a type formerly comparing with Ontario combed wools, but in the washed condition. Information for a continuous record of wools of this class could not be obtained. The wavy line shows the prices realized by Ontario wools after being sold in the United States markets, showing a difference of 10 to 15 cents per pound more than is obtained by the Ontario farmer in his own market. Thus the Canadian wool-grower has been unable, except at rare periods, to get into the British market, under free trade conditions, and in selling in the United States he always has a handicap in price because of the duty. The quotations, wherever obtainable, were in the months of May and June. The remarkable slump in prices of all wools, except Ontario, during the Wilson régime will be noticed.

be made clear later on. As there are two sources of profit in sheep-raising—mutton and wool—the reader will have already inferred that the absence of a fair return from one of these sources explains the decadence of the Canadian sheep industry. There is, in fact, no other explanation. Puzzled by the steady decline of sheep-raising in Ontario, the Professor of Agriculture in 1884 sent out a set of questions on this subject, and in his report for 1885 summarized the answers as follows: "Correspondents attribute the decline first of all to the absence of demand for, and low price of, wool, which renders it unprofitable to maintain sheep for that product alone, and, in the absence of that source of revenue, sheep, simply as meat producers, do not pay so well as cattle and hogs." As the result of renewed discussions on this subject at the Guelph Winter Fair in 1905, the Ontario Department of Agriculture made enquiries from its correspondents and published the results in a special bulletin in 1907. This bulletin gives the following as the first and chief out of five causes assigned: "Lack of sufficient profits due to low price of mutton and wool, or to comparatively high prices for other kinds of stock or their products, particularly dairy cattle and their products, together with bacon hogs." Summarizing the replies, the bulletin states: "In spite of the handicap which is thus placed upon the sheep industry the replies of correspondents indicate that instead of 34 per cent. of the farmers keeping an average flock of 13 breeding ewes as at present, there should be flocks of from 10 to 20 ewes on fully 75 per cent. of the farms of Ontario. The contention is that there has been lack of appreciation of the value of sheep on the farm."

The Department of Agriculture of other Provinces have at times enquired into the same phenomenon, but, though the decline in sheep breeding is usually attributed to the average low price of wool, the difficulty has not been associated with the tariff. The relationship of the two questions will be made more clear when we study the history of tariff legislation and wool-growing in the United States.

As the result of the invention of carding, spinning and power weaving machinery—between 1760 and 1790—the factory system in wool manufacturing developed with extraordinary rapidity in England, and this change was well advanced before it had even started in the United States,* where it continued for a long time to be carried on as an industry of the home, as in Canada. The supply of wool was short and the breed of sheep poor in the United States, and it was only in 1802 that the first flock of merino sheep was introduced there. By the time the embargo on trade was laid on, which preceded the war of 1812, several thousand head of merino sheep had been brought in, and that conflict turned the attention of people of the young Republic to the need of both woolgrowing and woolen manufacturing to make the country independent. The price of merino wool rose from \$1 a pound in 1807 to \$2 and \$2.50 during the war. Compelled to rely on its own efforts in consequence of the Non-Intercourse Act of 1809, the wool clip increased from less than 14,000,000 pounds in 1810 to 22,000,000 pounds in 1812, and during the four or five years preceding the war “no industry was so prominent in the public eye as the manufacture of wool.” The fame of the merino sheep spread until some rams sold at \$1,000 each; while broadcloths were sold at times as high as \$8 to \$12 a yard. Up to this time Great Britain had been looked to as the source of supply of woolen cloths, and, while certain duties were placed on imports by the first tariff of 1789, the duty of 5 per cent. on such goods showed that woolen manufacturing was not one of the industries sought to be developed. The United States was, in fact, the best market of the world for British cloths, as the value of woolen goods shipped thence rose steadily from £1,481,378 in 1790 to £2,803,490 in 1799, or 40.77 per cent. of the entire British exports of these goods to the world. As might be expected, “factories for making

* “A Century of American Wool Manufacture, 1790-1890,” by S. N. D. North.

army and navy cloths, blankets, negro cloths and broad-cloths, the great staple woolen manufacturers of that time sprang up in different parts of the country, stimulated by the enormous rise in the price of these necessities" [North], and many cotton mills were diverted to the manufacture of woolen goods. This development was helped by the introduction of steam in American woolen mills and by the more extensive use of the spinning jenny, which was first introduced there only in 1804. As illustrating how the minds of the people were centred on the textile industry at this time 237 patents were issued in the United States in 1812, and of these the great majority were for processes in the manufacture of wool, cotton and linen.

After the close of the war a strange reaction ensued. To understand this reaction, by which the United States woolen industry was prostrated, it is necessary to glance at two or three landmarks in the history of the woolen industry in England. In the twelfth and thirteenth centuries the

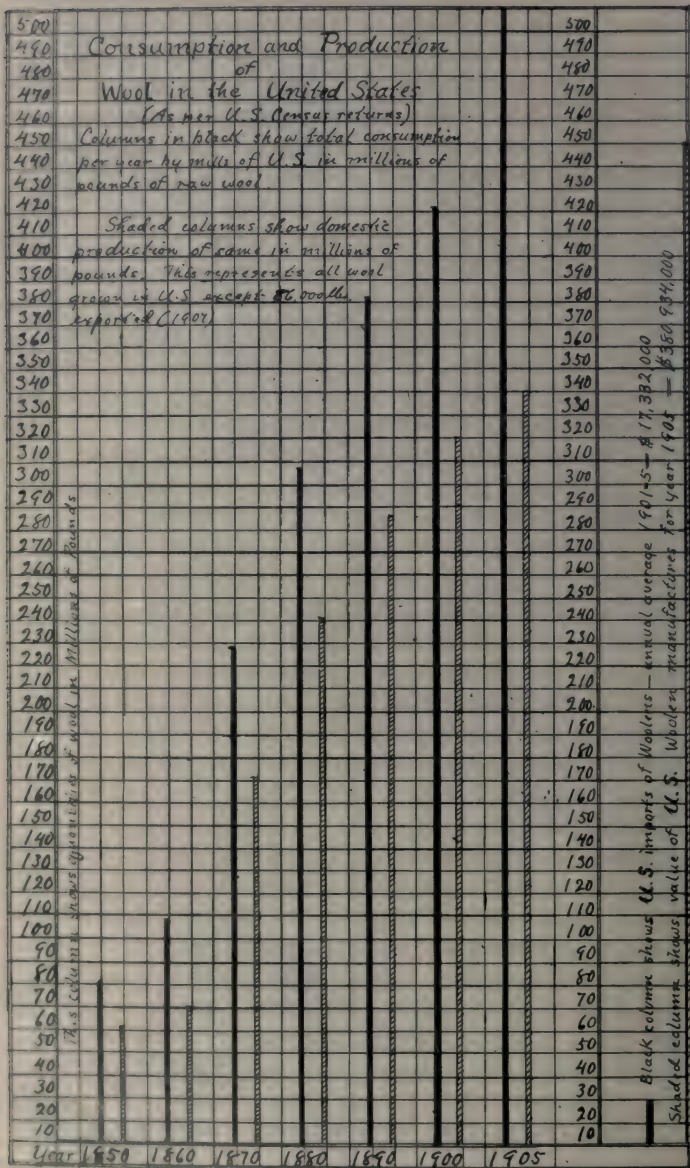
Woolens the
Turning-point of
British Industrial
Supremacy.

Counts of Flanders, who ruled what is now Belgium and Holland, became so powerful that they were able when it suited them to defy European kings, and were more wealthy than many of these kings. To be as rich as a Count of Flanders became a proverb. Their wealth was chiefly made out of the manufacture of textiles, notably woolens. This wool came almost entirely from England, the fleeces of that country being greatly superior to those from continental sheep. The trade had gone on for a long period till wool became England's staple export. Hemingford could say: "All the nations of the world were clothed with English wool, made into cloth in Flanders." It is noteworthy that under Edward I. and Edward III. England laid the foundations of its woolen industry in times of strife and war, the industry being, in fact, a prototype of that of the United States, developed five hundred years later. Henry II., a patriotic ruler, made a good start by founding the Cloth Fair (afterwards known as Bartholomew Fair) at Smithfield, at which the buyers and sellers assembled for three days; and to compel the

use of pure English wool and stop the mixing of it with Spanish, he passed an Act declaring that "If any cloth were found to be made of Spanish wool mixed with English wool, the Mayor of London shall see it burnt." Scarlet cloth began to be made in the twelfth century, and as early as this the cloth "worsted" took its name from the Norfolk town of Worsted.* But Edward III. was the real creator of the woolen industry of England. He induced Flemish wool-workers to settle in England, a colony of Flemish sheep-raisers having already established themselves at Pembroke. These colonists were more skilful and better educated than the English cloth workers, and met with violent treatment at the hands of Englishmen in spite of royal authority. Riots occurred in the wool trade centres, such as London, Bristol, Gloucester, Nottingham, Lincoln, Oxford and Yorkshire, one authority stating that from London alone in 1290 no less than 15,000 Flemish artisans were banished. Wat Tyler slaughtered and robbed all the Flemings he found on his march to London.

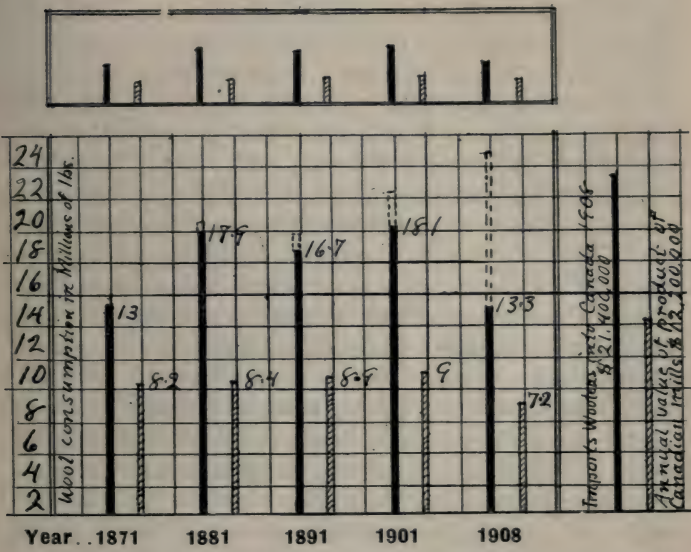
But King Edward persevered, for he saw farther than the trade guilds of that day, and how skilful he was at directing an immigration propaganda may be gathered from the following from Fuller's "Church History": "The King and State began to grow sensible of the great gain the Netherlands got by our English wooll. In memory thereof, the Duke of Burgundy not long after instituted the Order of the Golden Fleece—wherein, indeed, the Fleece was ours, the Golden theirs, so vast their emolument from the trade in clothing. Our Edward III., therefore, resolved, if possible, to revive the trade of his own country, who, as yet, were ignorant of that art, as knowing no more what to do with their wooll than the sheep that weare it, as to any artificial [artistic] and curious drapery, their best cloth being no better than frieze, such their coarseness for want of skill in the making. . . . The intercourse being large between the English and the Netherlands (increased of late since King Edward married the daughter of the Earl of Hainault), unsuspected emis-

* James Bonwick's "Romance of the Wool Trade."



saries were employed by our King with those countries, who brought them into familiarity with such Dutchmen as were absolute masters of their trade, but not masters themselves, as either journeymen or apprentices; these

CONSUMPTION AND PRODUCTION OF WOOL IN CANADA.



Black columns show consumption of raw wool in millions of pounds by Canadian mills. Dotted extension of these columns show further extent of Canadian wool displaced by importations of tops, noils, waste, rags, etc. The shaded columns show how much of this total consumption is grown in Canada. The total consumption is found by adding the amount of wool grown (as per census) to the total importations, less amount exported. The amount of the domestic product in Canadian mills is found by taking the amount grown, less the amount exported. The census returns do not give data for accurate calculations.

The first set of columns would show the quantities if exhibited on same scale as chart of United States wool production.

The pair of columns to right show annual value of Canadian importations of woollens compared with the annual value of product of Canadian mills, according to census of 1901, which, if accurate, would be greater than the actual production of 1908. A comparison with the chart of United States woollen manufactures and imports shows that the relative standing of the two industries is reversed.

bemoaned the slavishness of their poor servants, whom their masters used rather like heathens than Christians, yea, rather like horses than men, early up and late in bed, and all day hard work and harder fare (a few herrings and mouldy cheese), and all to enrich the churles, their masters, without any profit to themselves. But, oh! how happy should they be if they would but come over to England, bringing their mystery with them. . . . Here they should feed on fat beef and mutton till nothing but their fulness should stint their stomachs. . . . Persuaded with the promises, many Dutch servants leave their masters and make over for England. . . . With themselves they brought over their trade and their tools, viz., such as could not (as yet) be so conveniently made in England. Happy the yeoman's house in which one of these Dutchmen did enter, bringing industry and wealth along with them. Such who came in strangers within-doors soon after went out bridegrooms and returned sons-in-law, having married the daughters of their landlords who first entertained them. . . . And now was English wool improved to the highest profit, passing through so many hands, everyone having a fleece of the fleece, sorters, kempers, carders, spinsters, weavers, fullers, diers, pressers, packers, and those manufactures having been heightened to a higher perfection since the cruelty of the Duke of Alva drove over more Dutch to England."

Having educated his people to the manufacture of the cloth, Edward issued orders that no Englishman, Irishman or Welshman should carry out wool from his dominions under penalty of death, and this enactment brought over a further host of skilled workmen. Thus from being importers of cloth and sellers only of raw wool the policy of Edward III. soon brought England into prominence as a manufacturer and exporter of cloth, and by 1425 the Scoten also began to export cloths, having along the shores of Fife Flemish colonists, who taught them the art which was destined to give Scotland its fame as a manufacturer of tweeds. The policy of holding the raw

material and retaining the secrets of manufacturing as far as they could was pursued by succeeding rulers in harmony with the determination of the people down even to the reign of Queen Victoria. To those who only associate with the name of Great Britain the free trade views of the present day it will seem almost incredible that the inventions of Hargreaves (carding machine and spinning jenny), of Arkwright (the spinning frame) and of others were guarded by Governments and people as trade secrets, and kept as jealously as the secrets of the industrial guilds of ancient Egypt. In 1774 an Act was passed "to prevent the exportation to foreign parts of the utensils made use of in the cotton, linen, woollen and silk manufactures of this Kingdom," and under penalties of confiscation and heavy fines it prohibited "the putting on board of any ship or vessel not bound to some port or place in Great Britain or Ireland of any tools or utensils commonly used or proper for the preparation, working up or finishing of the cotton, woollen, silk or linen manufacture." In 1781 another statute was enacted adding a year's imprisonment to the penalties imposed by the Act of 1774. This policy, with some modifications, was strictly enforced down to 1845, when the era of free trade was inaugurated, by which time British textile manufactures were considered out of danger from foreign competition.

In the pamphlet previously quoted Mr. North says that during the earlier decades of the existence of these laws no known instance occurred in which a perfect textile machine was smuggled into the United States from Great Britain. The models that were introduced were so imperfect that it might fairly be said that the people of the United States had to invent anew the machinery by which, after trying difficulties, the textile industries of the country were at last established. At a later period they were to reap the advantage of this, for some of the most important improvements in the textile industry of the world had their origin in the United States during the last century. A catalogue of these would surprise persons unacquainted with textile manufacturing who associate all progress in this field with the primary inventions of Great Britain.

This explains why, in spite of the patriotic ardor aroused by the war of 1812-15, the comparatively crude woolen industry of the Republic almost collapsed before the well-organized industry of Great Britain, producing much finer fabrics. By 1816 the imports of woolens and cottons into the United States from Great Britain mounted up to \$70,000,000, and merino sheep that during the war sold as high as \$1,000 could now be had for \$1 a head. In this strait the cotton and woolen manufacturers turned to Congress, and the result was a long series of tariff experiments, the study of which would be most illuminating to those who have had a hand in the woolen tariff legislation of Canada during the past quarter century.

Without attempting here to follow this legislation it will be enough to say that it required another war—that of the great civil conflict of 1861-5—to force home to the people of the United States the conviction that the production of its necessary textile fabrics must be an essential part of its national policy. “The war of 1861 recreated the American wool manufacture.” And this new policy began with adequate protection to United States wool, by which the production of the raw material should be first secured. The result of this to the farming interests was that the domestic wool clip, which in 1859 was reported at 60,264,000 pounds, grew to 106,000,000 in 1862, and has since then reached an average of over 300,000,000 pounds in recent years, in a grand total of 500,000,000 pounds consumed by the mills. This policy was carried out at a serious risk to the United States worsted manufacturers, who, under the reciprocity treaty of 1854 with Canada, had developed a large industry by using Canadian wools, then admitted duty free. The reputation of the worsted goods of the United States was first founded on the high quality of these Canadian wools, and, as the sheep of this class were not then raised in the United States, the worsted manufacturers there appealed to Congress for a special exemption to Canada wools. They pointed out

that the worsted industry already employed more people and capital in both England and France than the carded wool industry itself, while of \$60,000,000 of United States imports of woollens and worsteds \$40,000,000 were of worsteds alone. The petition to Congress went on to state:—

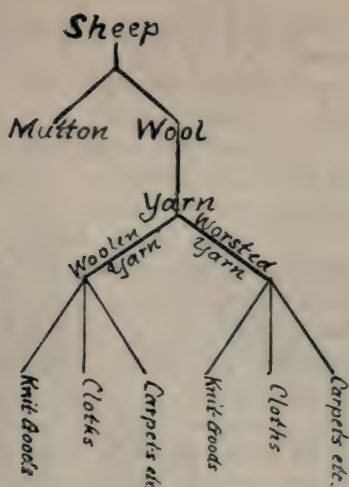
“The manufacture of worsteds, which is just beginning to have an important development in this country, owes its existence to the
Canadian Wool Reciprocity Treaty, which admitted,
Founded the free of duty, the wools of Canada.
United States The farmers of Upper Canada, of
Worsted Industry. English and Scotch descent, naturally prejudiced in favor of the sheep husbandry which prevails at home—as England is still called in the colonies—and having a taste for English mutton, imported sheep of the Leicester, Cotswold and Down races, which have thriven admirably on the naturally rich limestone soils of Upper Canada. The present production of wool from these sheep in Canada is about six million pounds. The Canadians have no fine-wooled sheep [meaning merinos]. Protected by a tariff, they consume about two million pounds of their own wool in the manufacture of coarse cloths, including tweeds, which have been imported largely into the United States, notwithstanding the duty on cloths; and we use the balance of three to five millions.” They added that the introduction of the finer lines of worsted goods and the unexampled development of this branch of textiles was due to the command of Canada wools, which were “fully equal to the English combing wools,” but there was not enough of such wools grown in the United States to keep one of the worsted mills running. They were fair enough to admit that if these combing wools were to be grown in the United States the worsted manufacturers would fall into line with the national policy, provided their industry could be protected sufficiently to hold the trade during the period of transition. Their views were met by Congress, with what results will be seen in figures elsewhere quoted.

It is strange that with this proof before them of the special suitability of Canadian wools for the worsted trade, already more extensive than the carded woolen trade, Canadian legislation was not directed to developing a home worsted industry, but the first worsted mill, started at Hespeler in 1872 by Randall, Farr & Co., got no encouragement in this direction, and, after struggling for a time, moved to the States, where, under the name of the Farr Alpaca Co., it made a fortune for its proprietors, and is to-day the most profitable mill in any branch of the textile trades in the United States.

It will thus be seen that both in Great Britain and the United States it was the patriotic spirit which created the textile industry as one of the essentials of independence, and it was the same spirit that led both peoples to make the necessary sacrifices to ensure that the industry thus created should be permanently its own. Is it necessary that Canada should learn the lesson by the bitter experiences of war when we have the light of these centuries of history to guide us?

To enable the lay reader to understand the chief elements of textile manufacturing and to see that our legislation must be reformed, beginning at the foundation, if we are to have a really native woolen industry, let us examine the situation.

The accompanying diagram shows the order in which the manufacturing processes are carried out, beginning with the wool and omitting the preliminary steps of washing and scouring. From the sheep we derive our wool, from the wool our yarn, both woolen and worsted, and from the yarn and knit goods, cloths, carpets and other fabrics, whether wool or worsted, or woolen and worsted mixed. But our tariff system, built up under successive administrations, ignores wool altogether as a Canadian product—only \$6 being charged as duty in 1907 and none in 1908 under the clause providing for a duty of three cents a pound on wools of the Leicester type—while tops, noils, waste, rags and other forms of wool largely derived from the very type of sheep grown



The inequalities of the present tariff will be seen from this diagram, showing the genesis of woolen and worsted fabrics and knitted goods. The main difference in the process of manufacturing woolen and worsted yarns is that the carding machine used in making woolen yarns tends to cross the individual wool fibres at every angle, which explains why woolen cloths are so easily felted or fullered. The combing machine, which prepares the wool for worsted yarns, lays the fibres parallel, and those fibres, being longer, makes possible the spinning of a much finer and relatively stronger yarn. Hence the greater versatility of the fabrics obtainable by worsted spinning which is adapted to the coarsest as well as the finest yarns.

in Canada, are admitted free. Under this system from 5,000,000 to 12,000,000 pounds of raw wool, over 2,000,000 pounds of yarns and several million pounds of tops, noils, waste and rags are brought in free, or under only nominal duty. It must be admitted that Canada does not now, and never will, produce merino wools of the fineness of the Australian product, nor do we produce the wools at the other end of the scale—the coarse, hairy, cheap Asiatic wools used in the carpet trade; but, making allowance for the importation of these, it can still be demonstrated that, even under the present half-paralyzed condition of the industry, at least ten million pounds of raw and partially manufactured wool can be used from Canadian sources that are now purchased abroad. Bear in mind that Canada is now

not only a grower of long-wooled sheep, but raises a medium fine quality of merino wool also, the climate of Alberta and Saskatchewan having proved as favorable to merino and cross-bred sheep as Montana and Wyoming, so that under a system that would restore Canadian sheep raising to its former equality with other live stock five times ten million pounds of home-grown wool would in a few years be the normal consumption. This is reasonable to believe, seeing that Montana produces forty to forty-five million pounds of wool, while under our present tariff our neighboring Province of Alberta produces little over half a million—the official estimate of the Alberta Wool Growers' Association is 400,000 pounds. Such protection on wool would, of course, have to be accompanied by a corresponding protection on the manufactured goods and on fabrics such as clothing, otherwise the different branches of the industry would be—as they are now—a house divided against itself.

At present we have the anomaly that while practically every pound of United States grown wool goes into consumption in United States mills, **Against Us** a large part of the wool of Ontario (the **Both Ways.** chief wool-growing Province) has to be exported instead of consumed in Canadian mills. In the last ten years this export from all the Provinces has averaged nearly 2,000,000 pounds a year, and in 1897—one of the “free wool” years in the United States—it reached 7,499,949 pounds. This is because our tariff, by permitting tops* to come in free and imposing only a small duty on some yarns while other yarns also come in free, effectually prevents the development of a Canadian worsted industry. Thus we see that the so-called protection to Canadian woollens not only ignores the Canadian raw material, but in some cases as completely ignores, and in other cases discriminates against, the primary process of manufacturing. What

* Tops are the first product of the worsted combing machine, being the longer of the fibres drawn from long wools and used in spinning worsted yarns. Noils are the shorter fibres of the same wool dropped from the comb to become material for spinning woollen yarns, etc.

would be thought if we were to declare cotton yarn free, and thus reduce the Canadian cotton industry to a collection of weaving sheds, or planning to create an iron and steel industry by commencing the protection at agricultural implements?

We need, then, to protect our woolen mills, knitting mills, carpet factories and other woolen textile mills, but it must be by a substantial protection

A Moderate all along the line. This does not mean
Proposition. that we need so high a tariff on the raw material as to prevent a manufacturer from importing special wools for special purposes, nor does it mean that we must raise a tariff so high on the finished product as to prohibit the importation of foreign fabrics of the kinds not made in Canada. But what should be aimed is to give the plain end of the woolen and worsted business to the Canadian manufacturer, giving to the Canadian consumer an infinitely stronger and less adulterated fabric for the same money, as anyone will believe who remembers the Canadian tweeds, blankets, flannels and other woollens of former days made from Canadian wool. This would still leave us generous consumers of British, French and German goods; and such a tariff could be framed which would be on the whole only one-third that of the United States.

The worsted industry has already been mentioned. Is the average reader aware that this branch of woolen manufacture means more to Canada

The New Policy than the carded wool branch? It is
means a larger in Great Britain, France, Ger-

New Creation. many and the United States. In the latter country it started in 1860, when

there were three mills (just the same number in Canada to-day), but now it exceeds the woolen branch, both in output and capital employed, as may be realized from the fact that in the United States it consumes 261,000,000 pounds of raw wool per year against 157,000,000 pounds consumed in the woolen branch. As the United States worsted manufacture was built upon Canadian wools, and still absorbs all our exports of raw wool, it need not be argued that we have the conditions for its successful manufacture. It is the tariff alone which

strangles it in Canada. The worsted industry has these further advantages for Canada: it not only consumes a greater quantity of wool at a higher average price, but it admits less adulterants (the amount of cotton, for example, mixed in worsted yarns in the United States amounting to 4,300,000 pounds per year, while with woolen goods the cotton mixture is 28,200,000 pounds), and it provides a greater versatility of product in both woven and knitted fabrics because of the finer yarns which can be spun from the long-fibred wools. The scope of the industry can be greatly extended if wool-growers can meet the manufacturers and learn each other's wants, which would result in a great diversification, both in the types of sheep raised and in the character of our manufactured products. It was one of the remarkable results of the tariff of 1867, based on this principle, that the woolen industry of the United States took on an allround development that had never been known before, special branches being created, such as bleaching, finishing and dyeing for "the trade," while the knit goods and worsted departments grew prodigiously. In a single decade the worsted mills, for instance, increased from three to 102, and their products increased from \$3,700,000 to over \$22,000,000 per annum. Under the moderate proposals suggested for the Canadian tariff, if only the present product of Canadian sheep farms were used at home and a portion of the wool now imported were grown in our own land, it would mean the introduction of millions of fresh capital and the steady employment of hundreds of thousands of people, who must now earn their living in the summer only and who in times of commercial depression are in too many cases a charge upon our charities in the winter. As a solution of our labor problem in winter the importance of this should not be lightly estimated.

When the present tariff was put in force it was expected that it would cheapen the poor man's suit, but has it actually done so? That it has not given cheaper clothing to the poor will be seen by the appended memo. of prices at departmental stores in Toronto, comparing 1896 with 1905. Even at the end of 1907, when,

**The Poor
Man's Suit.**

as is well known, depression had brought about over-production in the ready-made clothing trade, with a collapse of prices, the comparison does not favor the poor man. In this comparison we must make due allowance for the fact that the cost of manufacturing in 1905 was 10 to 25 per cent. higher than in 1896, the price of wool being about the same at both periods. But suppose it could be shown that the poor man paid no more for his cheap suit in 1905-8 than in 1896, it is still undeniable that the suit of to-day is infinitely less durable than before the flood of shoddy goods swept in. The mere fact that numbers of firms in Galashiels, Huddersfield and other medium and fine cloth centres have lost their Canadian trade in recent years, while Batley, Dewsbury and other centres of the shoddy trade have enormously gained in this market is a simple proof of this.

It is true that under such a tariff the finer fabrics would be slightly raised in price in consequence of the Better Values, More Capital, More Employment.	duty on imported wools, but those who wear fine fabrics can afford to pay for them. The enormous gain through the circulation of money, first among Canadian
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CLOTHING PRICES—FROM FILES OF TORONTO DAILY PAPERS, 1896, 1905, AND 1907.

Clothing prices.—From files of Toronto daily papers, 1896, 1905, and 1907.

1896.—Throughout November and December the T. Eaton Company continuously offered ready-made 4-button all wool tweeds with best Italian cloth linings, sizes, 36-44 at \$6 to \$7.50.

1896.—Throughout November and December the R. Simpson Company advertised ready-made all wool 4-button sack suits of English and Canadian tweeds at \$5.99, \$6.49, and \$6.99.

1905.—Throughout November and December the T. Eaton Company continuously advertised same classes of ready-made suits at \$10.50, \$15, and \$18.

1905.—Throughout November and December the R. Simpson Company advertised same class of suits at \$9, \$11.75, \$14, and \$16.

1907.—Eaton and Simpson advertised early in November all-wool and worsted winter suits, sizes 36-44 at \$12 to \$14, but later advertised in December towards Christmas manufacturers stocks at slaughter prices of \$7.95 to \$8.59.

farmers, second among manufacturers and operatives by the investment of fresh capital in the worsted and woolen trade, and third, among the merchants and general public through the expansion of an industry which employs more operatives than any other for the capital invested, will surely offset this in the public mind here, as it has done in the United States, and as it did in Great Britain for the six hundred years during which it was necessary to protect her woolen industry from within and without. And if we justify the expenditure of millions, both by bonus and by protective duties, in developing an iron and steel industry, among others, why should we hesitate to establish a native woolen industry, which, as before shown, is more vital to our national existence?

While it is true that tailor-made clothing is dearer in the United States, especially when made from imported cloth, it is not true that the

The United States and Cheap Clothing. poor man's ready-made suit is dearer there. As a matter of fact, there are at least fifty towns in Ontario alone where one or more clothing dealers

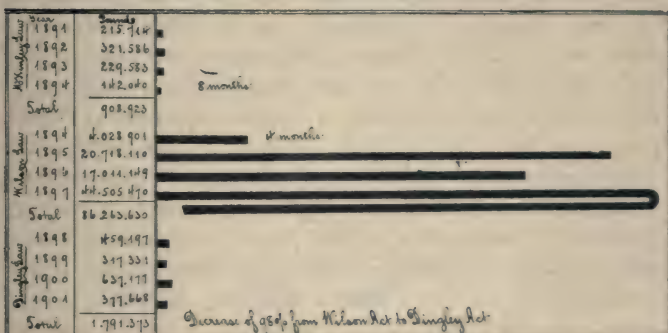
have a special agency for some United States clothing firm, whose goods are selling against the product of Canadian factories after paying the duty. On this subject Justice, Bateman & Co., wool merchants, of Philadelphia, write us: "You will see by enclosed article that, notwithstanding the duty on raw material, ready-made clothing can be sold at a lower price in the United States than anywhere else in the world, and that the French Government is sending a commission here to investigate the wholesale clothing manufacturing in the United States, the fame of which is spreading throughout the world."

It may be asked, is it certain that a protection on wool will arrest the decay of the Canadian sheep industry? On this question we have not

The Principle and Its Proof. only the evidence of the direct effect of wool protection on sheep-raising, but we have the evidence of the disaster caused to both the wool-growing interest and the woolen

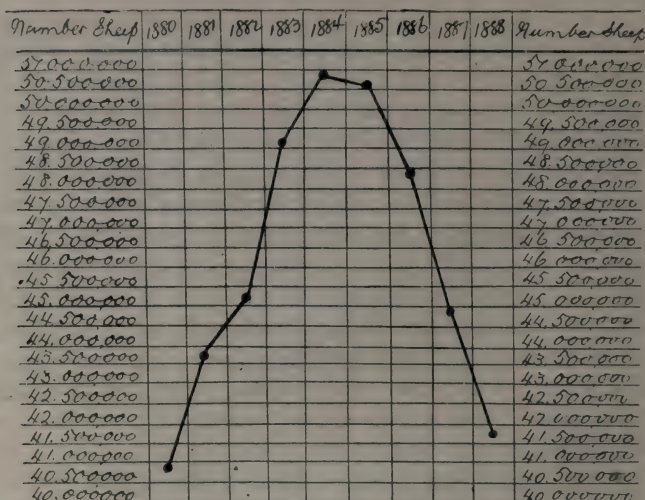
manufacturing interests when the two interests were divorced in the Grover Cleveland regime. When Cleveland was elected on the cry of tariff reduction the vortex of the discussion, on platform and in the press, centred round this very wool question. People wanted cheap manufacturers, but above all they wanted cheap clothing. The result was the Wilson tariff, in which raw wool was put on the free list and the duties on manufactured goods reduced to an average of about 50 per cent.—a still higher protection than we have in Canada to-day. The result was that worsted and woollen mills were closed in every direction, and those mills which struggled on through the possession of greater capital had to fight shoddy with shoddy, as seen by the diagram of imports of rags in that period. Like conditions of competition must produce like results in Canada. As for the effect on sheep-raising, Justice, Bateman & Co. describe it in these words: "During the last Cleveland campaign the farmers were told that if they had free wool they would get a higher price for wool than they

EFFECT OF FREE WOOL, ETC., ON SHODDY IMPORTS OF UNITED STATES.



A remarkable accompaniment of the free wool period in the United States under the Wilson tariff was the enormous increase in the imports of rags and shoddy. The Act came into force in 1894, and in the remaining four months of that year there was over four times as much shoddy imported as in the preceding eight months, and by 1897 the imports had mounted up to 44,505,000 pounds, an increase of over 9,000 per cent. (From a graphic chart prepared by Justice, Bateman & Co.)

EFFECT OF REDUCTION OF 10 PER CENT. IN DUTY ON RAW WOOL IN UNITED STATES.



The above diagram, published by Justice, Bateman & Co., Philadelphia, shows the visible effect caused by the reduction of the duty on raw wool under the tariff of 1883.

were receiving under the McKinley Act (which carried the present wool duties), and that they would be able to buy clothing at one-half the McKinley protected price, and enough of them voted for Cleveland to elect him. The result was that the wool industry was nearly destroyed. The number of sheep decreased from 47,000,000 plus in 1893, when it was discovered that the new Congress was Democratic, and that the duties upon wool were to be removed, the sheep were sent to the butchers in anticipation of free wool, and by 1896 there were only 36,500,000 left, a decrease between Cleveland's inauguration and McKinley's election of over 23 per cent., and this slaughter of sheep was only halted by McKinley's election in 1896, when it was discovered that there would be a Republican Congress that would restore the wool duties. Perhaps the one thing that had more influence than anything else was the enormous increase in the imports of shoddy, which took the place of wool, the facts of which are illustrated in the enclosed chart. Four years' experience with the Wilson Act

proved several things which converted the American to his support of protection to American wool."

Even the reduction in the duties on raw wool, which took place in the eighties in the United States, had a marked effect on sheep-raising, as another chart shows. It will be noticed that both these events took place between the census years, and, therefore, have not left their mark on those records.

It will be in place here to call public attention to the importance of sheep husbandry to Canada apart from the tariff. Canadian mutton

The Double Gain of a Restored Sheep Industry. and lamb compares with the best in the world in flavor, and it is now beginning to be understood that mutton in general is a safer food

than the meat of any other quadruped. The report of the United States Department of Agriculture for 1905 shows that of 6,000,000 cattle inspected 11,000 were found to be tuberculous, of 25,000,000 hogs 207,000 were tuberculous, while of 8,000,000 sheep inspected only 27 were tuberculous. In other words, only one sheep in every 291,580 is afflicted with tuberculosis, while there are 555 head of cattle and 2,390 head of hogs in the same number tainted with the germ of consumption. It is believed by some that the reason why the Jews have such a record for longevity is that they are a mutton-eating rather than a pork or beef-eating people. The inspections referred to seem to confirm this belief, and in any case they show that we would best serve our people and our trade if we raised more mutton for home consumption and for shipment to Great Britain, seeing that the Mother Land takes 200,500,000 lbs. of frozen mutton from the Australian colonies and 140,230,000 lbs. per year from the Argentine Republic, besides quantities from other countries. The incidental effect of a protected wool industry in developing this trade would alone make the policy a wise one. The conditions for such a trade are all in our favor. No country in the world bears a better record for healthy sheep than Canada, and this is in part the explanation of the strength of Canadian wools. There are large tracts of land in Central and North Ontario, in portions of

Quebec, in Nova Scotia and New Brunswick which are broken and more or less unprofitable for any form of husbandry except sheep-raising. In the new Provinces of Alberta and Saskatchewan, where they raise a really good quality of merino and cross-bred wools, capable of great improvement yet, there are areas of land better suited for sheep ranching than any other form of ranching, and it only requires that the natural feud between the cattle and sheep ranchers of the American West be avoided on the Canadian side by separate reservations for each purpose. But leaving aside the use of poor lands for the pasturage of large flocks, in the rich and populous farming regions of the country sheep can compete with any other live stock to the benefit of the farmer, certainly with a permanently larger demand and higher price for wool. This is manifest from the answers of correspondents to the special enquiry made in 1905 by the Ontario Department of Agriculture. The following is a typical answer from a Perth county farmer: "There is more profit in sheep than in any other animal on the farm, but farmers have been careless and allowed sheep to take care of themselves. . . . Another thing in favor of sheep is that they can make a living on the fields two or three weeks longer in the fall, and can be turned out two or three weeks earlier in the spring than any other animal, and they will kill all burdock and many other weeds. And they are easier handled in the winter." Andrew McPherson, a well-known Nova Scotia farmer, writes in the "Farmers' Advocate": "We have a country free from the diseases that affect flocks in other places. Scab and stomach worms are unknown. We can raise the feed that makes the best quality of mutton at the lowest cost. . . . Such a flock [40 or 50 on every farm] would pay a higher dividend than any other live stock, and with less work to the owner. We hear a great deal nowadays of the scarcity of farm help. Does not the sheep industry solve that problem to some extent, and can we not, with lighter work and increased profits, keep our boys on the farm?" Senator Ferguson holds like views with regard to sheep in Prince Edward Island, and considers there are moral aspects to sheep-

raising as an occupation which place it above any other branch of live stock. There is no inherent filthiness in the sheep as in the hog, nor does it carry with it the temptation to gambling, betting, etc., so frequently associated with horse-breeding. It is possible to exaggerate such points, but there is no doubt that the care and companionship of sheep tend to evoke the fatherly instincts and to develop the kindly side of human character, as is clearly manifested in the world's best literature both sacred and profane.

Textile manufacturing, which is as naturally associated with sheep husbandry as one color is complementary of another, is an indoor occupation eminently suited to the climate and circumstances of Canada. Writing of the woolen branch of this industry, S. N. D. North, in the pamphlet previously quoted, pays it this glowing tribute: "No branch of industry makes larger demands upon those elements of capacity and character which win success in manufacturing. . . . There is that about it which attracts men of large ideas and capabilities. It offers ample scope for the employment of faculties of the highest order, and the field of success is comprehensive enough to fit the highest business ambition. The art of wool manufacturing becomes attractive and absorbing by its varieties, its possibilities, and even by its uncertainties. Success serves but to stimulate to new endeavor. The creative instincts may find in it opportunity for exercise, either in mechanical construction or in new methods and varieties of fabrication. Artistic taste is constantly spurred to adapt beauty of design to harmony of color, to combine the ornamental with the useful. There is also an inspiration in the thought of developing and perpetuating a great national industry, venerable because of its antiquity, benevolent because of its intimate relationship with the comfort, the happiness and the prosperity of the people."

These facts and suggestions are placed before the people of Canada with the firm belief that if these conclusions are translated into action, and a technical

school devoted to textiles is established to keep it abreast of the world's progress, such a policy will, with the other blessings of Heaven, place Canada in a position of complete independence, so far as the essential things of this material life are concerned.



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Canada's wool and woolens

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